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SECRETARY, SENATE DEMOCRATIC CONFERENCE RANKING MINORITY MEMBER CHILDREN & FAMILIES COMMITTEES: AGRICULTURE CRIME VICTIMS, CRIME & CORRECTION EDUCATION FINANCE HEALTH RULES

THE SENATE STATE OF NEW YORK ALBANY

The Honorable Governor Andrew M. Cuomo Executive Chamber State Capitol Albany, New York 12224

Dear Governor Cuomo,

We the undersigned legislators are writing to you on behalf of School Based Health Centers (SBHCs) and the children they serve across the State to respectfully request that you include **\$4,018,874 in funds for SBHCs in the 2018-19 proposed State Executive Budget.** This amount would restore revenue to 16 SBHC sponsors whose non-Medicaid grant funds were severely reduced this year by a combination of a 20% State Budget cut and an administrative action taken by the State Health Department to change the methodology for the distribution of these funds.

We are happy to see that you have not included cuts to SBHCs in your proposed budget for the 2018-2019 State Fiscal Year, however School-Based Health Centers are in financial crisis. On July 1, 2017 the State Health Department announced a new redistribution of non-Medicaid funding which results in extraordinary and unsustainable cuts to SBHCs in some of the most medically underserved and low-income areas of the State such as Buffalo, Brooklyn, the Bronx, and other high-need neighborhoods. The new allocation methodology results in cuts ranging from 26% to 70%, with many in the 45% to 66% range. It severely negatively impacts 13 New York City SBHCs with total reductions of \$3,603, 030, and three Upstate providers with a total loss of \$415,844.

SUNY Downstate which received a cut of 54% (\$237,000) announced plans to close four centers this year. The closing was postponed while SUNY searches for a new sponsor but it is not clear whether one can be found. <u>The centers at the Francis Scott Key campus, operated by</u> <u>Bedford Stuyvesant Family Health Center closed at the end of 2017.</u> They serve 1,100 students. They received a cut of over \$260,000, a 63% reduction. They have yet to determine whether they can keep their three remaining SBHCs open. SBHCs in severely medically underserved areas are expected to follow unless something is done to avert this crisis.

These administrative cuts come on the heels of the largest State Budget reductions in the 39-year history of the SBHC program- a 25% reduction in funds for direct health, mental health and preventive care, and reproductive health services to children and adolescents. The 2017-18 State Budget resulted in a 20% cut for SBHCs. In the 2013-14 State Budget,

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SBHCs were cut by 5%. In both cases, the proposal to include SBHCs in a public health consolidation and reduction plan originated in the proposed Executive Budget.

The State's 252 SBHCs provide services to over 200,000 children including primary, dental, mental, and reproductive health care services, as well as preventative, chronic and other types of care to underserved populations on-site in schools.

SBHCs are safety-net providers for children who are undocumented and/or uninsured. They are a critical point of care for immigrant children. Currently 12% of those served are uninsured- a number that could increase if federal proposals are enacted to cut and cap Medicaid funds and to repeal and replace the Affordable Care Act (ACA).

SBHCs reduce racial and ethnic disparities. According to the State Department of Health, 44% served are Hispanic or Latino and 31% are Black or African American.

SBHCs save the State money and keep kids in school. Research shows that SBHCs improve academic performance, graduation rates, and health outcomes like higher vaccination rates and reduced complications for chronic illnesses like asthma and diabetes.

SBHCs save taxpayers money by reducing emergency room visits and hospitalizations. According to a 2016 analysis of multiple cost benefit studies ¹ "The economic benefit of SBHCs exceeds the intervention cost. Further, SBHCs result in net savings to Medicaid. Total annual savings to the Medicaid program for SBHCs ranged from \$30 dollars per visit to \$969 per visit."

We have seen the positive impact these School-Based Health Centers have on children and families throughout the State. You have always been a champion for children's health and recognized the critical importance of SBHCs in your 2010 Urban Agenda. Please continue this support and ensure that the State's 244 SBHCs serving over 200,000 children and adolescents get the funding they need to preserve access to these vital services.

We strongly urge you to provide \$4,018,874 in additional funds for School-Based Health Centers (SBHCs). Thank you for your consideration of these issues.

Sincerely,

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Senator Velmanette Montgomery Ranking Member, Children and Families Committee

¹ Economic Evaluation of School-Based Health Centers. A Community Guide Systematic Review. Ran, et al. American Journal of Preventive Medicine 2016; 51 (1):129-138)

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Senator Martin Dilan 18th Senate District

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